

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2000-158-C
BURKESVILLE GAS COMPANY, INC.)	

ORDER

On November 20, 2000, in Case No. 2000-158, the Commission approved rates for Burkesville Gas Company, Inc. (“Burkesville”) and provided for their further adjustment on a quarterly basis in accordance with Burkesville’s gas cost adjustment (“GCA”) clause.

On June 29, 2001, Burkesville filed its GCA to be effective August 1, 2001.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville’s notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Burkesville’s proposed expected gas cost (“EGC”) is \$7.2355 per Mcf. On June 29, 2001, the Commission issued an Order relieving Burkesville of the requirement to collect \$.05 per Mcf for use of the Fort Knox portion of Apache Gas Transmission Company, Inc.’s line.¹ Burkesville understated its EGC by making an improper line loss adjustment. Removing the \$.05 per Mcf fee and correcting Burkesville’s line loss calculation produces an EGC of \$7.2172 per Mcf, a decrease of .7 cent per Mcf from the previous EGC of \$7.2242.

¹ The Tariff Filing of Apache Gas Transmission Company, Inc. and an Investigation of the Status of the Fort Knox Line, Case No. 2000-483, Order dated June 29, 2001.

2. Burkesville's notice sets out no refund adjustment.
3. Burkesville's notice sets out a current actual adjustment ("AA") of 10.61 cents per Mcf. Burkesville's notice sets out a total AA of 27.76 cents per Mcf, which represents a decrease of .52 cent per Mcf from the previous total AA.
4. Burkesville's GCA is \$7.4948, which is 1.22 cents per Mcf less than the previous rate of \$7.5070.
5. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for service rendered by Burkesville on and after August 1, 2001.

IT IS THEREFORE ORDERED that:

1. Burkesville's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after August 1, 2001.
3. Within 20 days of the date of this Order, Burkesville shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 25th day of July, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2000-158-C DATED JULY 25, 2001

The following rates and charges are prescribed for the customers served by Burkesville Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Residential	\$4.25	\$7.4948	\$11.7448
Industrial	\$3.90	\$7.4948	\$ 11.3948